

Circular No. 5.  
Series of 1934.

*Federal Reserve Bank  
of Dallas*

**MONEY SHIPMENTS  
AND RECEIPTS**

*May 1, 1934  
Dallas, Texas*

## To the Member Bank Addressed:

This circular supersedes all previous circulars governing the shipment of currency and coin.

Unless otherwise stated, the term "Federal Reserve Bank of Dallas" includes its El Paso, Houston, and San Antonio Branches.

The following information and procedure apply to shipments of money forwarded to the Federal Reserve Bank of Dallas, and to shipments made by the Federal Reserve Bank of Dallas, at the request of member banks.

### Section I. GENERAL PROVISIONS.

In accordance with the terms of this circular, the Federal Reserve Bank of Dallas will absorb all expense of transportation and insurance incident to the shipment by registered mail or express of currency and coin to member banks. Costs of transportation and of insurance under our policies will also be absorbed on shipments of currency and coin in amounts of \$50 or more received from member banks when shipments are prepared and forwarded in accordance with the provisions stated below; **otherwise such costs will not be allowed.**

### Section II. PREPARATION FOR SHIPMENT.

#### 1. Paper Currency:

- (a) Assort all currency by denominations and put up in packages of 50 or 100 notes.
- (b) Mend mutilated or torn notes with paste or adhesive paper, preserving, as far as possible, the original size of notes. Pins, clips, and other metallic substances should be removed, since they will damage machinery used in punching and cutting currency and might cause injury to the handlers.
- (c) Enclose each 50 or 100 notes of the same denomination, face and top up, under a paper strap with the **amount and name of the forwarding bank shown thereon.**
- (d) Send one copy of advice of shipment by regular mail and enclose one copy with shipment.
- (e) In the presence of a witness count packages, tie securely in bundles, and whenever possible, place in canvas sacks and seal with lead or wax seals. However, if wrapped in paper, use three thicknesses of good quality paper and seal securely with wax.
- (f) As registration fee of 15 cents is charged on each sack or package, put shipment in as few sacks or packages as possible.

#### 2. Coin:

- (a) Prepare coin for shipment by putting it loose in cloth sacks, a separate sack for each denomination, each sack to be tagged plainly to indicate amount and denomination enclosed. Do not include any coin in wrappers, envelopes, or rolled in paper.
- (b) Do not ship in any one sack more than \$1,000 in silver, \$250 in nickels, or \$100 in cents.
- (c) Do not include in shipment any mutilated coin, or coin to which paper or any other substance is attached, or upon which any name or advertisement is stamped or impressed.
- (d) Send one copy of advice of shipment by regular mail and enclose one copy with shipment.
- (e) Seal sacks with lead or wax seals.

**FEDERAL RESERVE BANK  
OF DALLAS**

May 14, 1934.

**AMENDMENT TO CIRCULAR NO. 5, SERIES OF 1934 WITH  
REGARD TO MONEY SHIPMENTS AND RECEIPTS**

**To the Member Bank Addressed:**

Since issuing Circular No. 5, Series of 1934, some question has arisen with regard to the provisions relating to the absorption of transportation expense on shipments of currency and coin to member banks. In order to eliminate any cause for further misunderstanding, Section 1, General Provisions, of Circular No. 5, Series of 1934, is hereby amended to read as follows:

Section I. GENERAL PROVISIONS.

In accordance with the terms of this circular, the Federal Reserve Bank of Dallas will absorb the expense of transportation and insurance incident to the shipment by registered mail of currency and coin to member banks. Shipments may be forwarded by any other means agreed to by the Federal Reserve Bank of Dallas and the member bank requesting the shipment, but in all such cases we will absorb only such portion of the transportation expense as we would have absorbed if the shipment had been made by registered mail. Costs of transportation and of insurance under our policies will also be absorbed on shipments of currency and coin in amounts of \$50 or more received from member banks when shipments are prepared and forwarded in accordance with the provisions stated below; otherwise such costs will not be allowed.

Yours very truly,

**B. A. MCKINNEY,**

Governor.

### Section III. METHOD OF SHIPMENT.

#### 1. Ship by registered mail:

- (a) All currency in denominations of \$5.00 and over.

Shipments on which a registration fee of 15 cents per package is paid are handled in exactly the same manner as those on which a higher fee is paid, any amount over 15 cents being to cover insurance. As all shipments made to us on which insurance is requested are covered by our policy, no additional insurance is necessary from Post Office. Therefore, all shipments, regardless of amount, should be registered under a 15-cent fee for each package.

- (b) Preserve registry receipt for use in case of loss.

#### 2. Ship by express collect:

- (a) All one and two dollar bills.
- (b) Silver dollars, subsidiary silver and minor coins.
- (c) Preserve express receipt for use in case of loss.

### Section IV. ADVICE OF SHIPMENT.

On date of each shipment of currency or coin an advice must be sent by regular mail to the head office or branch to which shipment is consigned. Advice must state:

- (a) Total amount shipped.
- (b) Whether sent by registered mail or by express. (If by registered mail, request insurance under our policy.)
- (c) Amount of postage paid on shipment.
- (d) Number of sacks or packages composing shipment.

All shipments received are ordinarily credited to the sending member bank's reserve account. If other disposition is desired, instructions should be sent in separate letter officially signed.

**Advices of shipments by registered mail and express should be made separately.**

A copy of advice should be placed in shipment, and if shipment consists of more than one sack or package, a memorandum should be placed in each sack or package showing amount of contents.

Upon request, a supply of "Advice of Money Shipment" forms will be furnished member banks.

### Section V. ADDRESSING SHIPMENTS.

All money shipments made by registered mail or express should be addressed either to the Federal Reserve Bank of Dallas or to the branch to which the member is attached.

Mark each package with the name and address of the sending bank, and when shipped by express, see that the amount contained in each sack or package is shown on tag or wrapper.

Do not request a return receipt from the Post Office. A fee is charged by the Post Office for this service, and as an acknowledgment is promptly mailed the member bank for money received, a return receipt is unnecessary.

A branch of the Dallas Post Office known as "Station K" is located in the Federal Reserve Bank Building, and to insure prompt handling, all registered mail forwarded to the

head office at Dallas should be addressed "Federal Reserve Bank of Dallas, Station K, Dallas, Texas."

#### Section VI. ENTRIES IN RESERVE ACCOUNT OF MEMBER BANK.

The reserve account of the member bank will be charged with the amount of each shipment of currency or coin. In case a draft drawn on a bank other than the Federal Reserve Bank of Dallas, is enclosed with the request for shipment, the draft will be entered for collection and the proceeds will be credited to the member bank's reserve account as soon as available for reserve and checking purposes.

Immediate credit, subject to count and verification, will be given upon receipt of shipments of currency or coin. Credits covering currency shipments will include an amount to cover necessary postage and registration fee. **Amount of postage prepaid on shipment should be indicated in advice of shipment.**

Mutilated, foreign, counterfeit, or altered currency or coin included in shipment through oversight will be charged to the account of the sending bank after examination and verification have been completed and will be handled in accordance with the applicable provisions of other sections of this circular.

#### Section VII. MUTILATED CURRENCY AND COIN.

**Do not include part bills or mutilated coin in shipments; send under separate cover.**

##### 1. Currency:

Redemption value of mutilated currency where no affidavit is furnished is as follows:

- (a) More than 3/5 of a note.....Face Value
- (b) Less than 3/5, but clearly more than 2/5.....Half Value
- (c) 2/5 or less.....No Value

Any portion of a note will be redeemed at face value by Treasury Department only when accompanied by acceptable affidavit showing that missing portions have been destroyed. Affidavit should show cause and manner of destruction of missing portions and must be subscribed and sworn to before a notary public, who must impress his seal and show date of expiration of his commission. In addition to affidavit, there should be furnished a certificate, to be executed, if possible, by an officer of an incorporated bank or trust company, setting forth the fact that said officer has read the affidavit and that the affiant is a reputable person in the community, and in the judgment of the officer, worthy of belief.

##### 2. Silver Coin:

No mutilated coin is redeemable at face value. It may, however, be forwarded to the Federal Reserve Bank to be sold to the United States Mint at bullion value. Cost of transportation to the Federal Reserve Bank or Branch and to the Mint will be borne by the sending bank.

Coin is mutilated when punched, clipped, chipped, or otherwise appreciably reduced in weight by any means except natural abrasion.

Coin to which paper or any other substance is attached or upon which any name or other mark is impressed is considered mutilated and not redeemable at face value.

Uncurrent coin, that is, coin reduced in weight by natural abrasion, when it can be clearly identified as to denomination and genuineness, will be accepted at face value.

Section VIII. FOREIGN CURRENCY AND COIN.

Foreign currency and coin, except Canadian money, will not be accepted for credit and when tendered will be returned to the shipping bank. Canadian money will be accepted and exchanged at the prevailing rate of exchange at the expense of the sending bank.

Section IX. COUNTERFEIT OR ALTERED MONEY.

In accordance with the regulations of the Treasury Department a receipt will be issued to the depositing bank for currency or coin that is found to be counterfeit or altered, and the note or coin will be delivered to the United States Secret Service Department. If inspection of such specimens is desired for reclamation purposes, request should be made direct to that office.

Section X. NATIONAL BANK NOTES.

National bank notes will be received on a parity with other forms of currency when sent to us in the regular course of business, but new uncirculated national bank notes will not be received for credit when sent to us by the issuing bank in order to place the notes in general circulation, or when sent to us in bulk by any other member bank to which the issuing bank may have sent them.

Section XI. INSURANCE ON MONEY SHIPMENTS WHILE IN TRANSIT.

Upon receipt of advice forwarded by regular mail requesting insurance covering shipments made by registered mail, such shipments will be insured under our policy without cost to member banks.

Our policy covers registered mail money shipments from the time of leaving the office of sender until delivered to the office of the addressee, except it does not cover loss through dishonesty on the part of employees of any bank by which or to which the package was shipped.

In order to effect insurance, shipments must be prepared and dispatched as provided in this circular, and insurance under our policy must be requested in advice of shipment.

In the event of loss, the Federal Reserve Bank will make claim on behalf of the member bank for the amount for which insured.

Section XII. SHIPMENTS OF CURRENCY AND COIN MADE AT THE REQUEST OF MEMBER BANKS.

Requests for money shipments should be made by letter over properly authorized signatures, or by telegram in code. Telegrams in A. B.A. code, with proper test word, may be sent collect, but member banks are expected to make their requests by mail unless immediate shipment is important. No telegram pertaining to money shipments should be sent except in code. In order to safeguard the interests of our member banks and ourselves, it is our policy not to accept telephone orders for money.

Currency, silver, and minor coin can be furnished in all denominations.

For your information, coin is put up in standard size sacks as follows:

Dollars .....	\$1,000	Dimes .....	\$500
Halves .....	1,000	Nickels .....	250 and 50
Quarters .....	1,000	Cents .....	100 and 20

In addition to the standard size sacks, we also carry, for the convenience of banks unable to use larger quantities, a small supply of dollars, halves, and quarters in \$500 and \$200 sacks; and dimes in \$100 sacks. It will greatly facilitate handling if shipments are requested accordingly.

At the request of member banks, shipments of currency or coin will be made to their correspondents. Transportation and insurance charges on such shipments made to nonmember banks will not be absorbed by the Federal Reserve Bank of Dallas, but will be charged to the account of the requesting bank.

Payment or shipment of new currency or coin is governed entirely by the amount of used money, fit for circulation, on hand.

Shipments of currency and coin will be forwarded by registered mail, insured under this bank's registered mail policies, and in the event of known loss, this bank will make claim on behalf of the member bank for the amount for which insured.

Mail advice is sent to member banks covering each shipment made. Where shipments are not received promptly, please give notice by telephone or telegraph to our office making the shipment.

There is enclosed with each shipment an invoice describing contents, a receipt to be signed and returned, and an addressed envelope. Immediately upon receipt, shipment should be verified, receipt officially signed and returned in envelope provided for that purpose.

Requests for shipments of currency or coin (when ordered in standard sacks) which are received prior to 2 p. m. (Saturday 12 noon), will be acted upon the day received. **Requests received after 2 p. m. (Saturday 12 noon) will be acted upon the following business day.**

The right is reserved to decline to absorb the expenses of any incoming or outgoing shipment of currency or coin where it may appear to the Federal Reserve Bank that such shipment is for the use and benefit of others and not reasonably related to the operations of the member bank making or requesting the shipment.

Member banks availing themselves of our currency and coin service, either by shipments to or by orders from us, will be understood by such action to have agreed to the terms and conditions set forth herein.

Yours very truly,

B. A. McKINNEY,

Governor.